The New Fantastic World of Work

by Leti Boniol and
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(Women) "are recruited when needed and more easily dismissed when the time comes to move on. They have always been vulnerable to temporary, part-time work without proper agreements or trade union rights. They are paid less, particularly if they are young and inexperienced. As a result, they suffer from "increased insecurity, intensity of work, health and safety risks, disregard for family responsibilities..."(Ofreneo:1997)

No other type of workers best fits the situation described above than women workers in export processing zones. Because of their low-paying and short-term work contracts in companies put up by foreign investors, they are forced to look for other jobs. Some women workers take on jobs in the evening: in nearby beer bars where they metamorphose into another personality, as guest relations officers who mingle with their bosses and co-workers. Zone workers, mostly those in garments and electronics companies, are given five-month contracts after which they have to seek another job

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in other factories. These days the terms of their contracts get shorter and shorter: three months or even two. Those who cannot take this situation anymore give up and become entrepreneurs: they sell fish or vegetables in nearby public markets. Here, they have no employers to make them work overtime or to shout at them when they do not perform at par.

Organised labour points to the globalisation of the world economy as the culprit in the loss of long-term jobs and the creation of casual, temporary, contractual and other forms of non-permanent employment where the worker gets a measly pay, no benefits, no security, etc.

The opening up of many countries' economies to world trade and capital has intensified the competition for markets. To be able to exist in a fiercely competitive world, companies must produce more at less cost. To do this, one of the first to be sacrificed is labour. Thus, there is now an army of available manpower: one billion workers—or one third of the world's labour force—either unemployed or underemployed, ready to grab any job.

The International Labour Office (ILO) affirms this in a 1998 study. "In the global market, the driving force in the industry is to stay competitive." This means, "searching for greater flexibility and lower labour costs." The workers are focused on preserving their jobs, dealing with problems of coordinating flexible production systems and coming to terms with the long-term social implications of flexibility," the ILO says.

The ILO report adds that "flexibility is not just about how work is organised, but about how it is scheduled and remunerated." Among the flexible arrangements are:

- Reducing the work-week to 35 hours (versus 40 before) in exchange for more flexible scheduling;
- Development of "time-saving accounts" which "enable workers to save up overtime premiums, bonuses, and up to three weeks annual leave and to use them at their own discretion;
- Annualised hours: workers have an annual quota of hours to work [a so-called time account, similar to a bank account], rather than the traditional daily or weekly quota of 40 hours. Under this scheme, workers may be called upon to work 50-60 hours per week during peak seasons (without overtime pay) while working only 25-30 hours during low season (and receiving full pay);
- Weekend only work: employees work two long shifts (12 hours each) on Saturdays and Sundays in exchange for 38 hours worth of pay (equal to what the other workers get from Monday to Friday) and with time off during the rest of the week.

There are many other schemes. The ILO reported that 73 percent of factories in the Philippines practised labour flexibilisation as early as 1992. Among the forms that the Philippine Labour Code allows are lengthening the period of apprenticeship of a new worker from three months to three years, legalising overtime work without pay by shortening the number of days of work in a week without corresponding change in the production target or lengthening the work hours during days when the need is high. It has also legalised labour only contracting. A small number of regular workers are usually maintained and more contractuals hired instead. When the demand is high, companies resort to subcontracting.

Flexible work arrangements and labour casualisation are expected to be established because of this struggle for competitiveness. In fact, factory production is now undertaken by non-regular workers, including casual, temporary or part-time workers, contractual, piecework or seasonal labour, says University of the Philippines (UP) professor Amaryllis Torres in a paper presented in 1998 to the Philippine Women's Forum on APEC (PWFA). Job rotation, a system where several part-time workers are employed to do a day's work, is also practised, Torres explains. With casualisation, a firm passes on work to a subcontractor who hires casuals, or engages a labour contractor that maintains personnel to do the functions of a regular employee.

More women affected

This situation is most disadvantageous especially for women workers who have increased in numbers in the last two decades. Labour flexibility surveys in 1996 show that as a company goes into labour casualisation, the higher is the number of women employed, and the greater is their vulnerability to exploitative conditions," Torres reveals. Women in the garments industry "receive no social protection, are paid on piecework rather than on an hourly basis and are vulnerable to the vagaries of the export market." She cites an association of women homeworkers whose members have had to resort to other livelihood activities because of the decline in the orders of export products.

Torres says casualisation and flexibility "allows management to get away from legal provisions protecting full time regular workers. They do not have to provide job security, leave credits, company benefits, and social security benefits guaranteed by law. Neither are conditions present for labour organising. In fact, with the increase in the utilisation of labour only contracting, there has been a decrease in the formation of new unions, as well as in the membership of existing ones."

She adds that employers favour flexible work arrangements and subcontracting to make industries flexible. "It will cut company costs for labour. Subcontracting is also "an attractive alternative in times of business uncertainties, since it will reduce investment risks and overhead costs."

Even the ILO has admitted in a 1998 report that "flexible labour practices can boost the competitiveness of employment prospects of firms." The ILO study cites firms in the mechanical and electrical machinery industries which have "productivity rising and wage costs falling." However, the negatives are "increased part-time work, reduced overtime pay, higher job instability and "unsocial hours" (night work, weekend work and long shifts during peak periods.)

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A woman worker in a computer manufacturing company at the Cavite Export Processing Zone in the Philippines

"The process of engineering change often proves wrenching for the workforce coming, as it does, at the expense of long-established workplace practices with unwelcome consequences for the personal lives of many employees," ILO says.

The 1998 economic collapse of many Asian countries (Indonesia, Thailand, South Korea, Philippines, Malaysia, etc.) has even worsened an already pit-bottom situation. Filipino labour expert Rosalinda Pineda-Ofreneo says in another paper presented to the Philippine Women's Forum on APEC in 1998, that "workers' unrest and insecurity are intensifying in the industry as layoffs occur and as flexibilisation (in the forms of job rotation / multiskilling, job sharing, flexitime, subcontracting, part-time, casual, and contractual employment) threatens workers' tenure and other entitlements, and make them more vulnerable to increased exploitation and lack of social protection."

Figures by the Bureau of Labour and Employment and Labour Statistics show that from July 1997 to July 1998, part-time workers increased by 1.042 million while full time ones decreased by 767,000, Pineda-Ofreneo said in her paper.

There are 430,000 more self-employed workers," she says. About 172,000 more work as unpaid labour workers, compared to a 276,000 decrease in salaried workers.

"The concentration of women as entrepreneurs and as workers is at the micro-enterprise level," Ofreneo-Pineda says.

Women workers in the informal sector suffer from:

- Lack of social protection due to the absence of clear employer-employee relations—no medical, maternity and other benefits, no retirement pension
- Irregular and unstable employment dependent on fluctuations in labour standard
- Exposure to occupational and environmental health hazards, since their working conditions can hardly be monitored
- Vulnerability to exploitation and abuse, such as below-minimum wages, non-payment of work done by runaway orderers, etc
- Low awareness of their rights as workers and as women, and
- Low levels of organisation.

These problems are seen in the situation of homeworkers in the Philippines. There are now about 6.4 million homeworkers, majority of them

located in the rural areas. With women comprising seven of ten homeworkers, their earnings are considered supplementary to the earnings of the male breadwinner and therefore do not really have to be substantial. And since they are women, "they can be consigned to repetitive, monotonous, and detailed work requiring manual dexterity," Ofreneo-Pineda says.

INFORMAL SECTOR

The burdens of women workers, who are also responsible for the maintenance and survival of families, increase as economic uncertainties take their toll, Pineda-Ofreneo, added.

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The trend in higher labour force participation rate of women: from 33 percent in 1973 to 47 percent in 1994 (NCRFW/ ADB,1995:23) to 48.9 percent by October 1997, and 51.5 percent by April 1998. (NSO, April 1998 Philippine Labour Force Survey) shows how economic trends have pushed women to work or at least to look for work. Devaluation, rising inflation and cost of living as well as job insecurity have made it imperative to have at least two breadwinners receiving at least the minimum wage to maintain a family of six .

Employment rates for women exhibited fluctuations (from 81.7 percent to 90.8 percent) from 1987-96. In general, employment rates for men, ranging from 88.1 percent to 93.5) have been higher than those of women for the same period, again confirming the observation that the labour market favours males.

The 13.3 percent unemployment level underscores the severity of the Philippine economic crunch. Only 27.8 million out of the total 32.1 million labour force are employed. With underemployment at 21 percent, only 25.4 million are fully employed.

Women are the hardest hit by the economic and financial crisis because of gender. Already, there is an increase in the unemployment rate of women: from 12.3 percent in April 1997 to 15.2 percent a year later. Despite being unemployed, the woman is expected to contribute to the family coffers, scrimp to stretch the family budget, take care of the home and children. She is also an accessible target of violence by frustrated and depressed husbands/partners.

Nevertheless, statistics show that there are more visibly active women in the economy now than before. But where are the women employed? The latest sex-disaggregated data show that women comprised 70 to 73 percent of the work force in the Philippine economic zones (Aganon et al,1997:6) where working conditions leave much to be desired. Women workers reported suffering from low wages, no security of tenure, neglect of their health and safety, and lack of participation in decision-making processes and poor state of unionism.

Electronic firms also employ mostly women for the monotonous work of semiconductor assembly. Due to the intensely competitive global environment, workers are vulnerable to lay-offs and contractualisation. They are also exposed to health hazards: toxic chemicals, fumes, and automated devices. Electronics firms are also known to be resource-intensive and highly polluting.

Although there are as of yet no gender-disaggregated data on layoffs, it is easy to surmise that women would be the first to be fired because of employers' attempts to save on maternity leave and other benefits.

Flexibilisation, when engineered to allow women to become not only better workers but more importantly, better human beings, is a welcome development in the workplace. To be really beneficial to women, flexibilisation should give them enough time to plan their careers and pursue more meaningful personal lives. They should be allowed to work part-time but this should not be made an excuse to deprive them of all the benefits and protection accorded to full-time or regular workers under the law. In other words, flexibilisation should add more than subtract to a woman's sense of personal and professional growth.

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